



ANALYST & INVESTOR DAY BIC Advertising & Promotional Products

The Advertising & Promotional Products industry

History and definition

A structured BUT fragmented industry

A large and growing business

A cost effective advertising medium

1789



George Washington commemorative buttons are the first known Promotional Products of the history

Late 19th Century in Coshocton, Ohio

Jasper Meek, a newspaper owner

His objectives: taking on job printing, to use his printing press between editions

+

M. Cantwell, owner of a shoe shop

His objectives: build store traffic and increase name recognition to ultimately increase sales



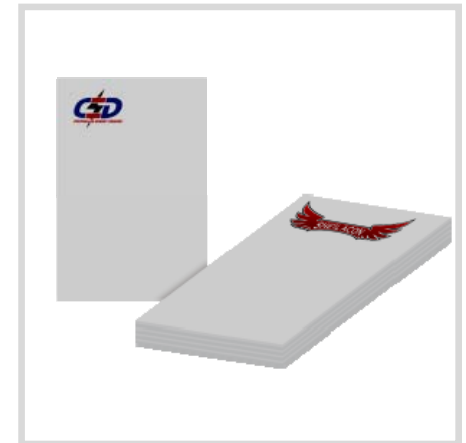
The product: a burlap book bag with a simple advertising message « Buy Cantwell Shoes » distributed to children visiting Cantwell shop

The first Advertising and Promotional Products was born

2010

▶ Items used to advertise and promote a product, a service or a company program

- ▶ Advertising specialties
- ▶ Premiums
- ▶ Incentives
- ▶ Business gifts
- ▶ Awards
- ▶ Prizes
- ▶ Commemoratives
- ▶ Imprinted/decorated items



2010

▶ Advertising and Promotional Products are:

▶ 1 Distributed individually



▶ 2 Sold as part of advertising and marketing programs

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Distribution model flow

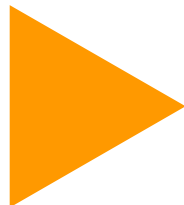
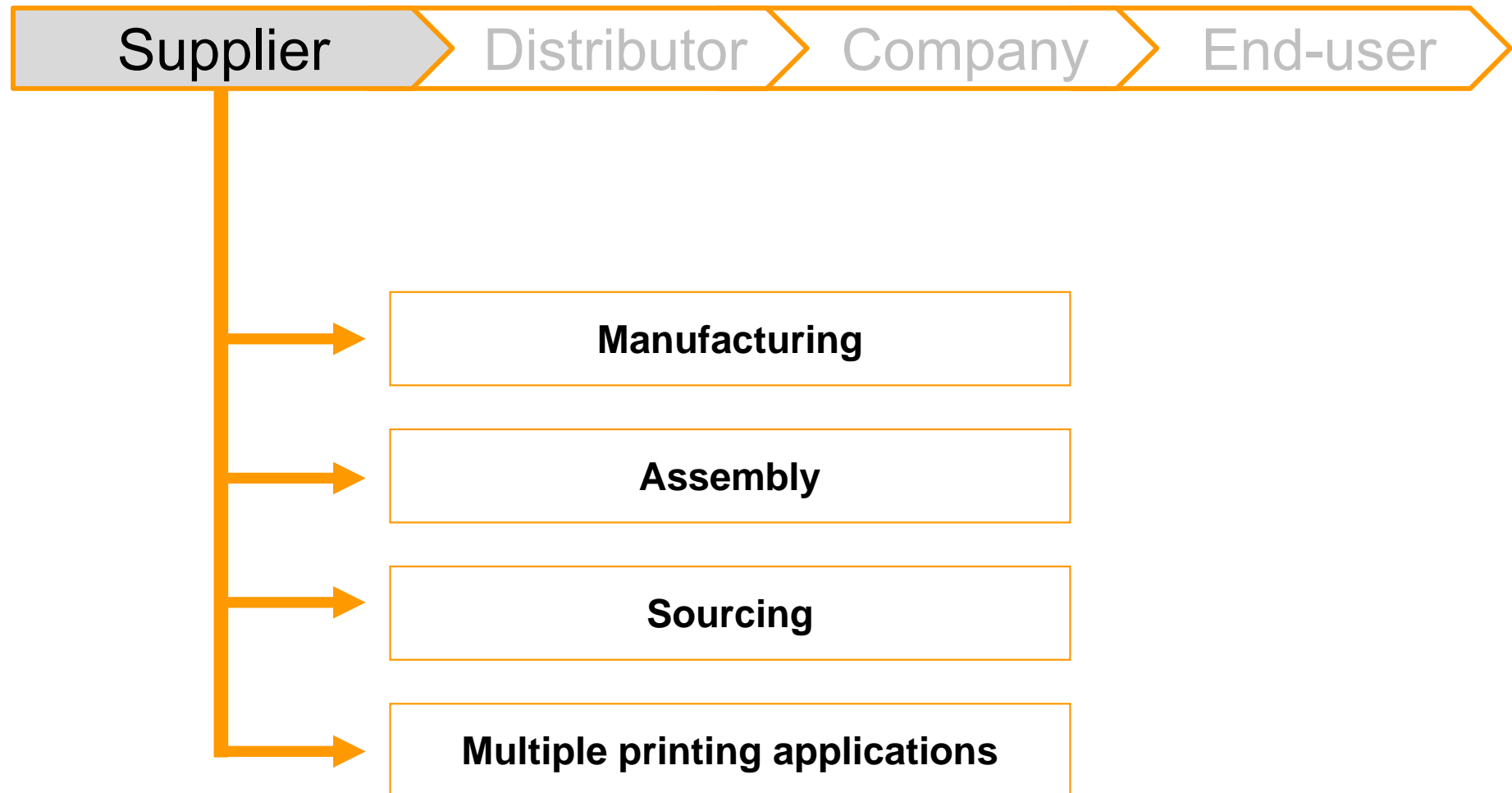
A four-part system traditional distribution model



A structured BUT fragmented industry



▶ 1

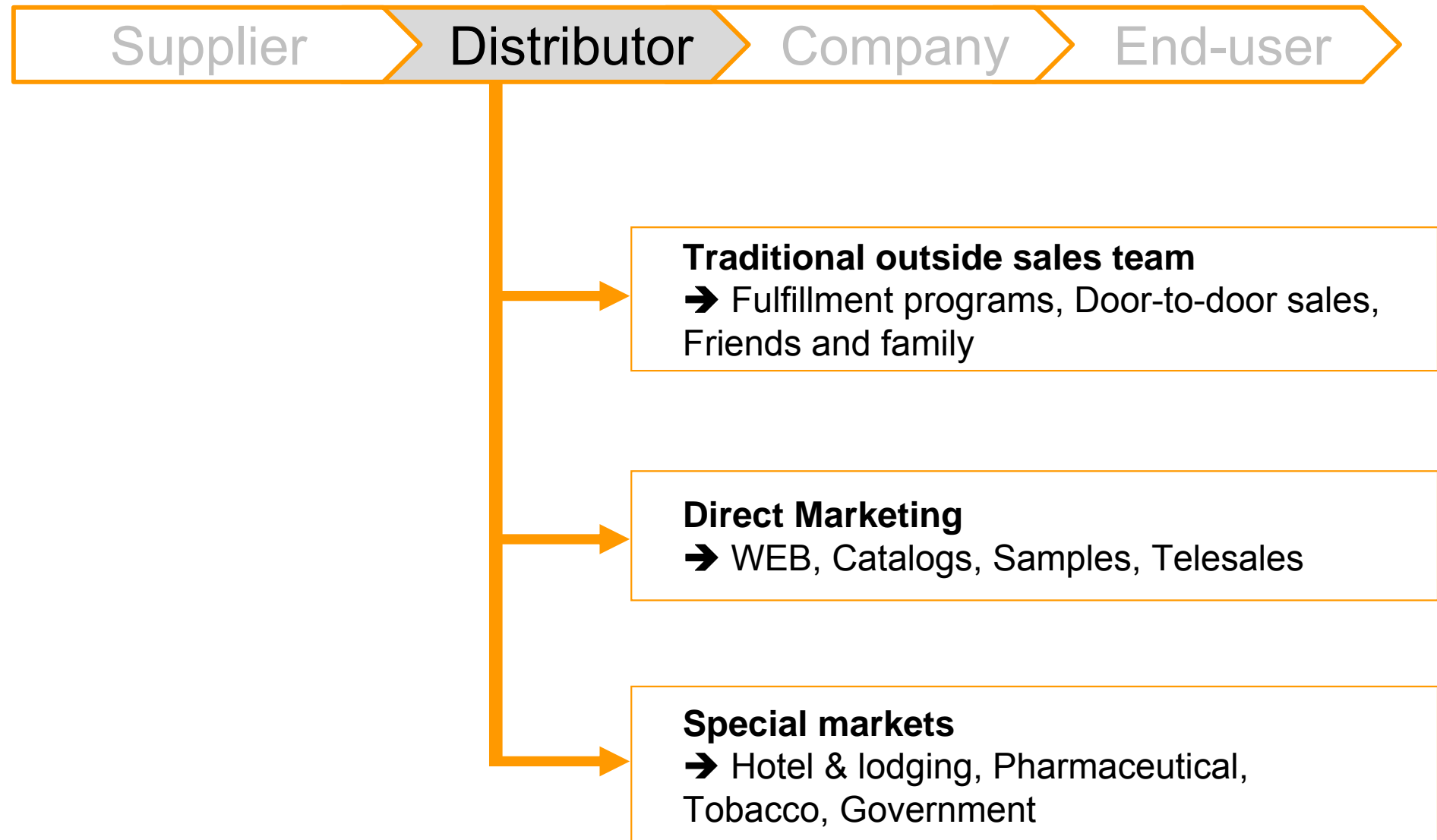


Products are sold blank or imprinted

A structured BUT fragmented industry



▶ 2



A structured BUT fragmented industry

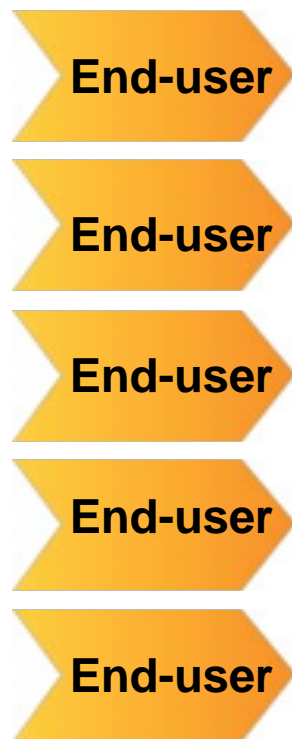


▶ 3

▶ 4



- Brand awareness
- Employee relations & events
- Tradeshows
- Public relations
- New customer acquisition
- Dealer/distributor programs
- New product/service introduction
- Employee service awards
- Not-for-profit programs
- Internal promotions
- Safety education/incentive
- Customer referral
- Marketing research



A structured BUT fragmented industry



Multiple sales & marketing strategies



A structured BUT fragmented industry



Worldwide industry associations servicing the trade



A structured BUT fragmented industry



Est. total number of Suppliers and Distributors

7,150 Suppliers

40,700 Distributors

CANADA

Suppliers	830
Distributors	6,300

EUROPE

Suppliers	2,000
Distributors	10,000

USA

Suppliers	3,500
Distributors	21,000

OCEANIA

Suppliers	420
Distributors	1,800

LATIN AMERICA

Suppliers	400
Distributors	1,600

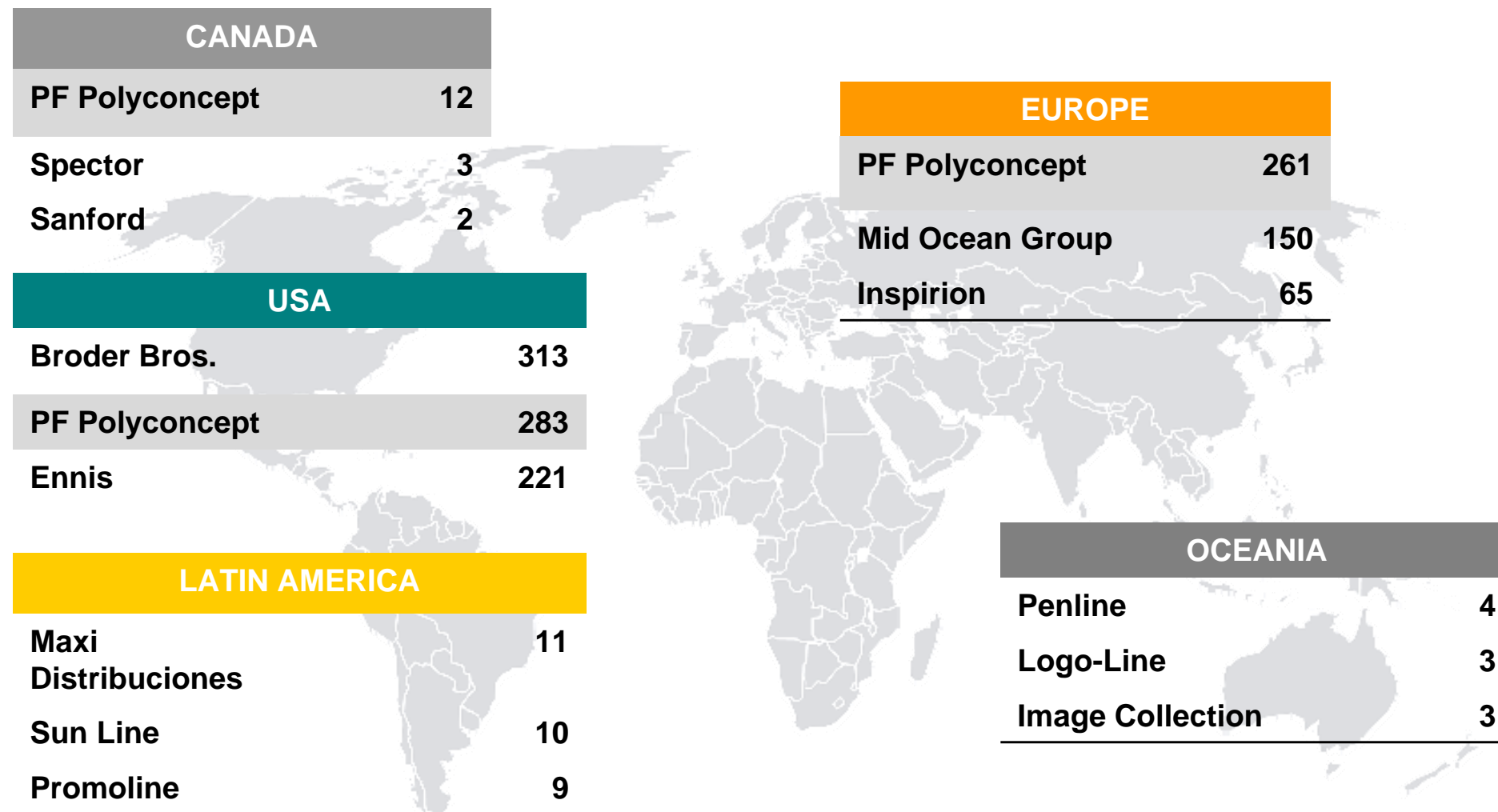
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Worldwide competitive market overview - Suppliers

In million Euros

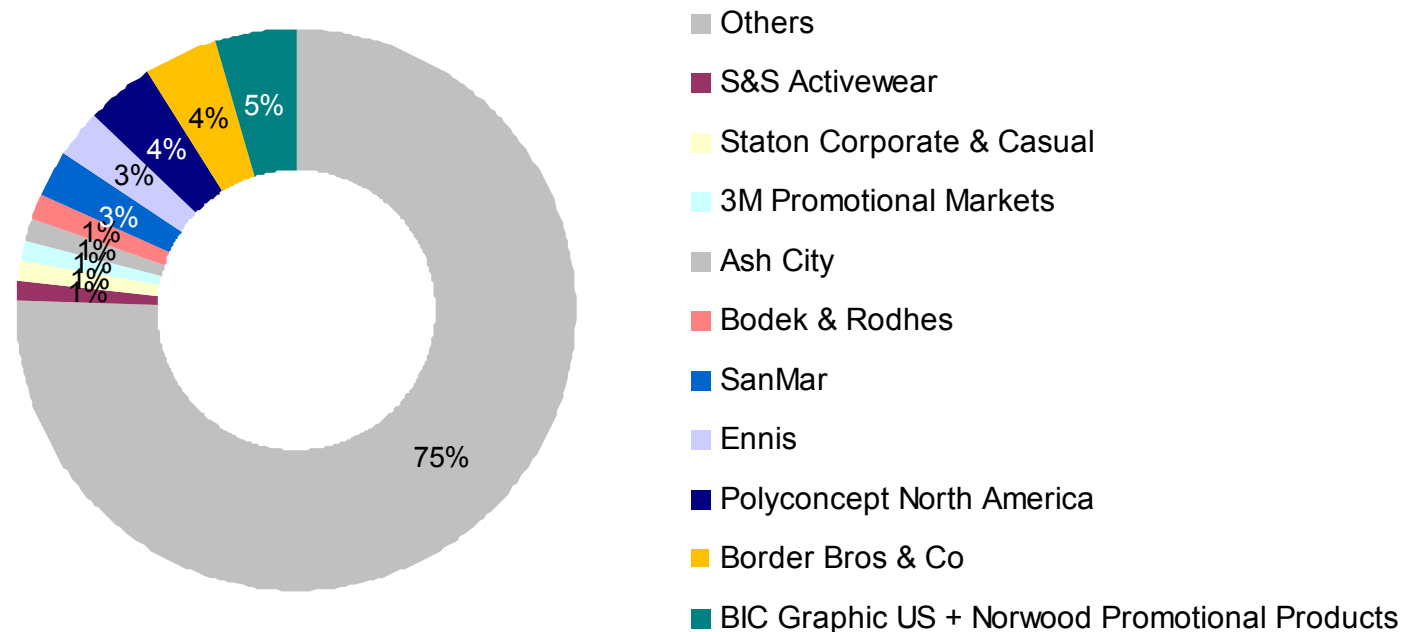
Estimated 2008 net sales



Source: PPAI 2008 figures / BIC Estimates / Polyconcept - 1 Euro = 1.38 USD



A fragmented industry: the US example 2008 suppliers estimated market share



A structured BUT fragmented industry



Worldwide competitive market overview - Distributors

In million Euros

Estimated 2008 net sales

CANADA	
Accolade Reaction Group	29
Genumark	15
Staples/Corporate Express	13

USA	
Staples/Corporate Express	324
Proforma	178
Group II Communications	148.5

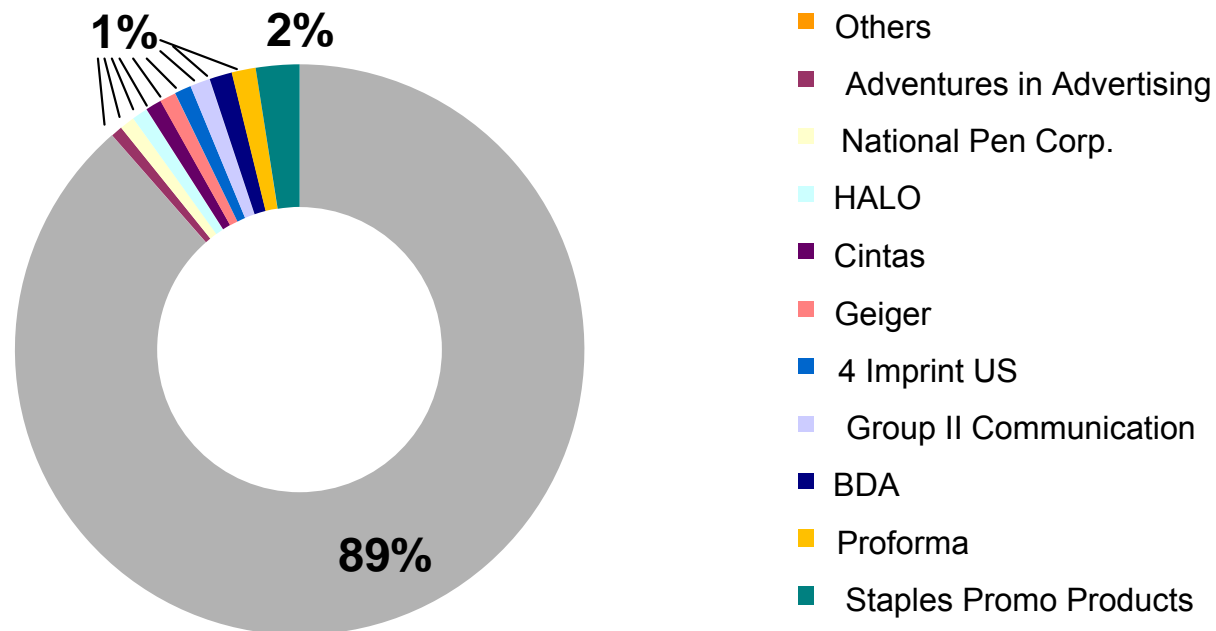
LATIN AMERICA	
Articulos Exclusivos JA	9.9
Publigraphics	3.8
Miguel Angel Distribuciones	1.4

EUROPE	
Promoplus	12
Proderam	8
Dimo	7

OCEANIA	
Corporate Express	38.4
OfficeMax	1.1
Copy Cat Promotions	1



A fragmented industry: the US example 2008 distributors estimated market share



A structured BUT fragmented industry



Est. total number of Distributor sales representatives

202,400 Distributor sales representatives

CANADA: 15,000

EUROPE: 30,000

USA: 150,000

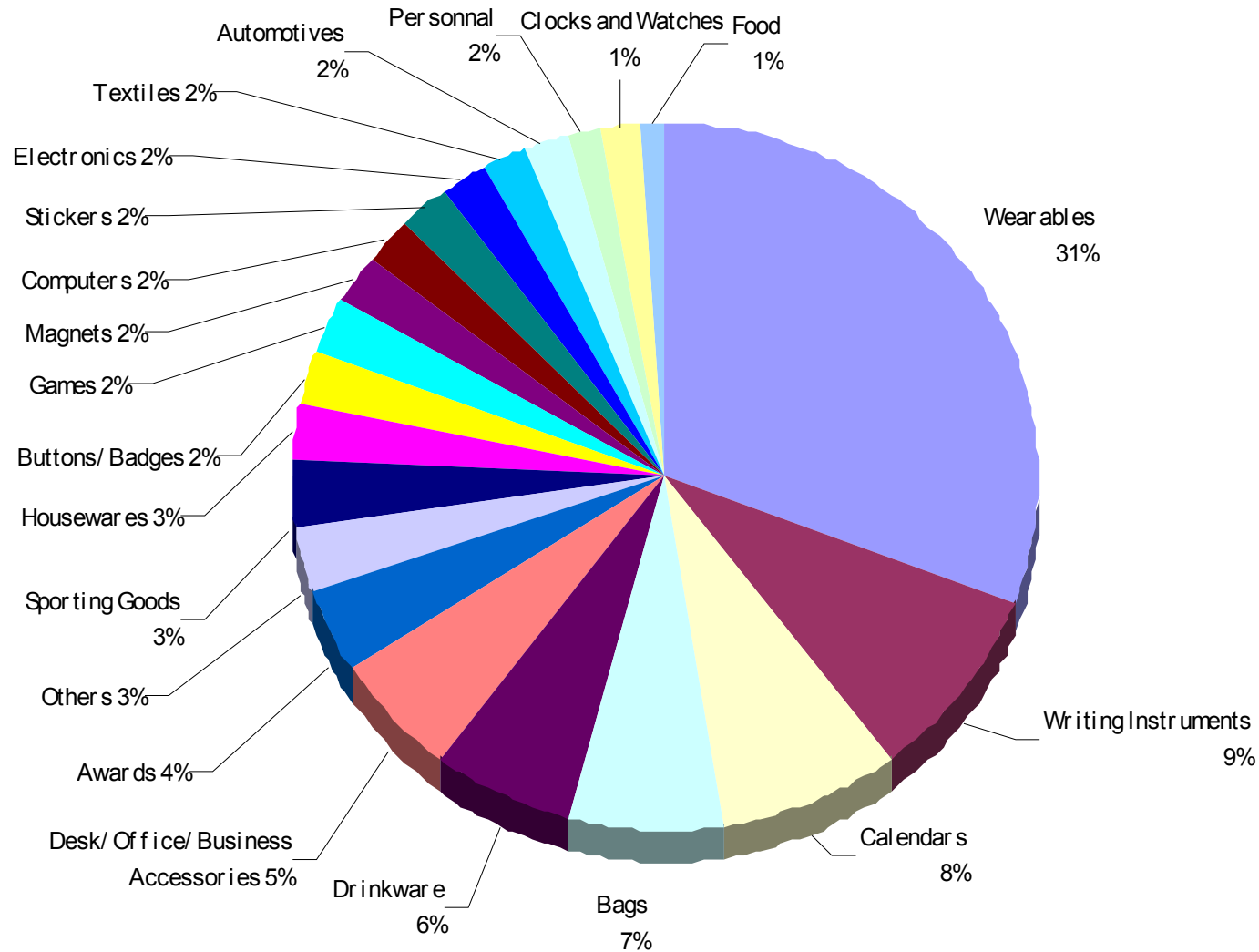
**LATIN AMERICA:
4,500**

OCEANIA: 2,900

A structured BUT fragmented industry



2008 North American sales by product category

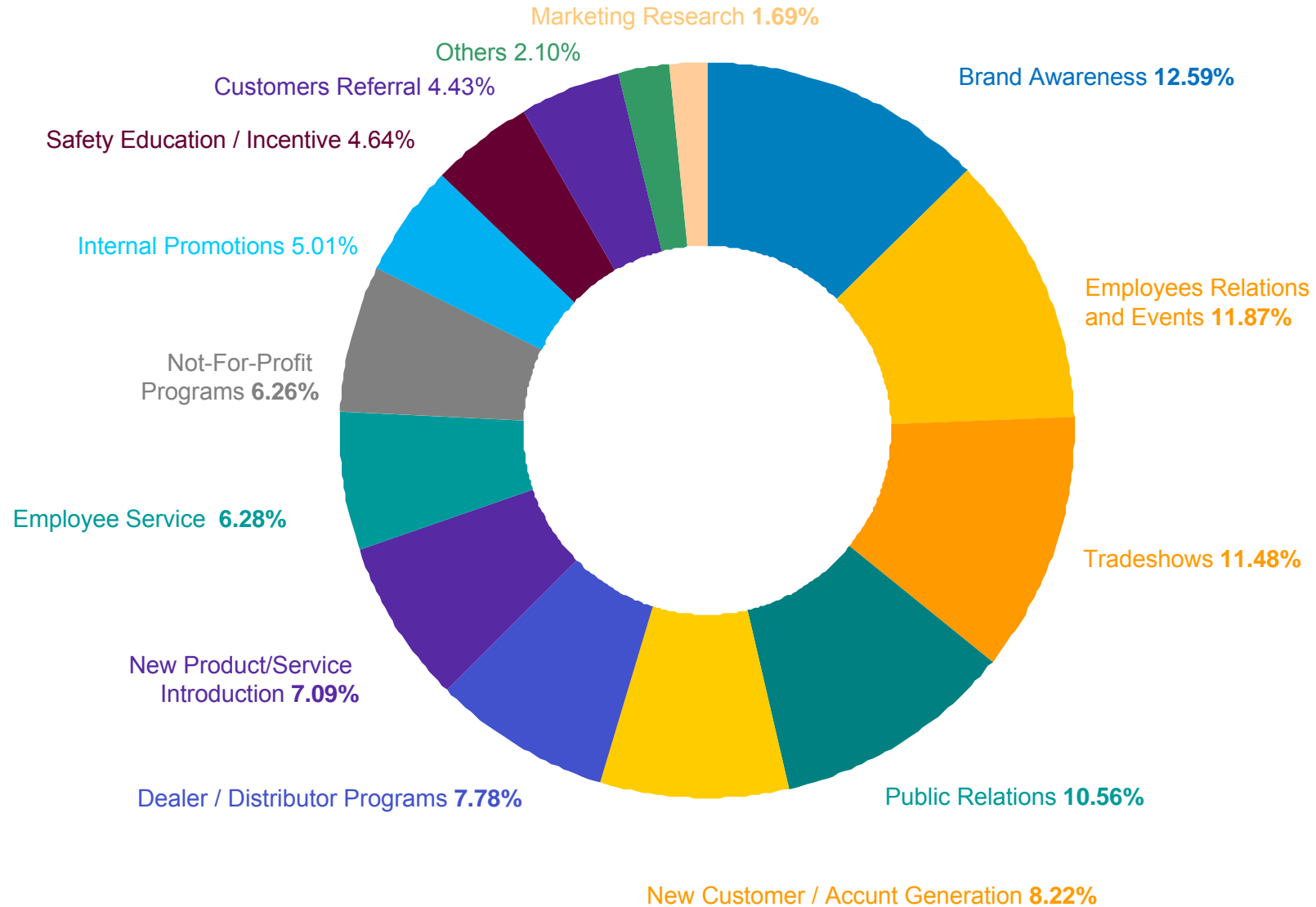


Source: PPAI

A structured BUT fragmented industry



2008 North American sales by program





Top buyers of promotional products

- ▶ Education
- ▶ Financial
- ▶ Not-for-profit
- ▶ Healthcare
- ▶ Construction
- ▶ Trade & Professional Associations
- ▶ Real Estate
- ▶ Government
- ▶ Professionals: Doctors, Lawyers, CPAs, etc
- ▶ Restaurants & bars

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A large and growing business

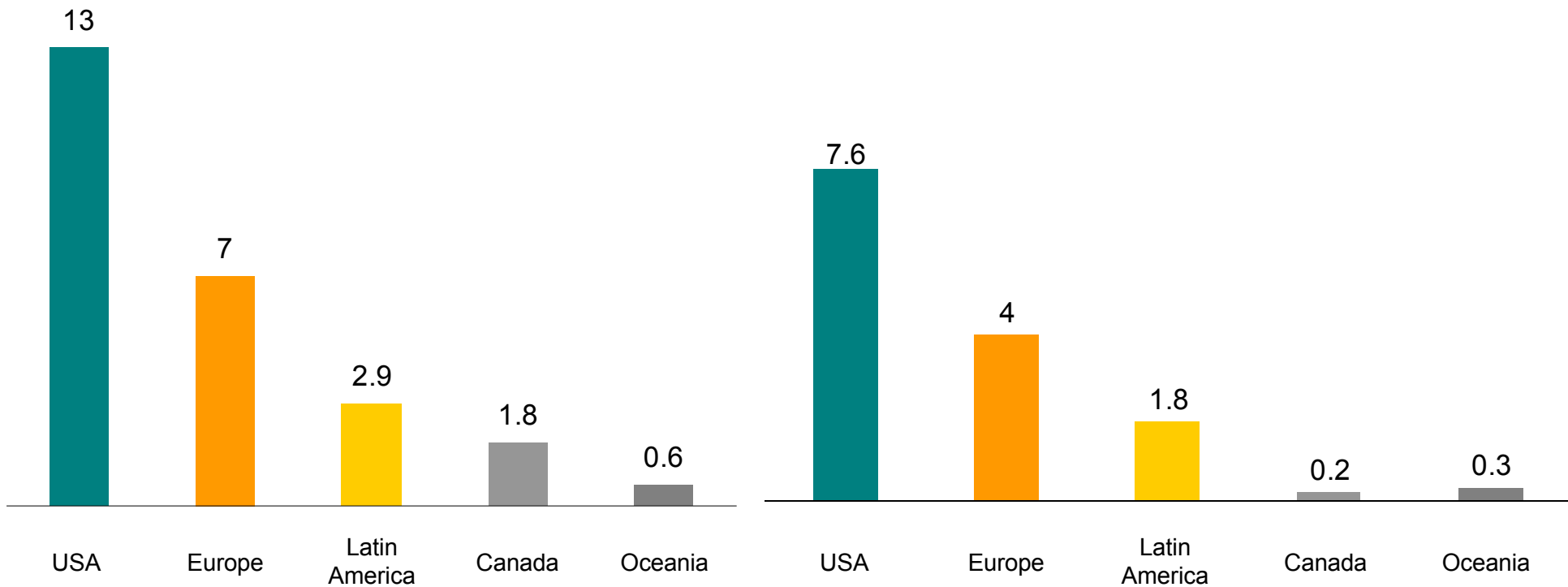
A cost effective advertising medium

A large and growing business



2008 estimated Distributor market size
25.3bn Euros

2008 estimated Supplier market size
13.9bn Euros

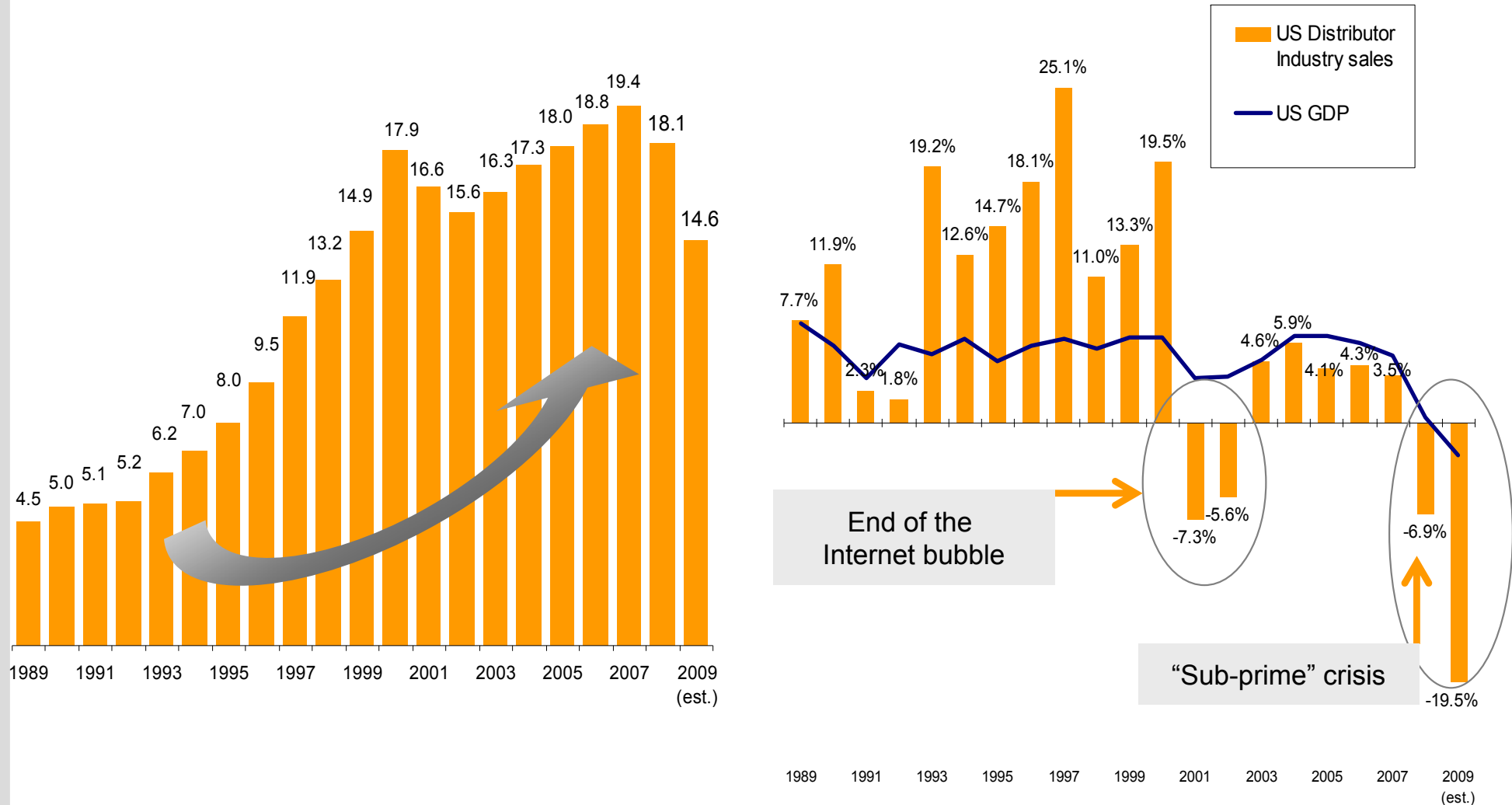


Source: PPAI and BIC estimates; 1 Euro = 1.38 USD

A large and growing business



1989 – 2009 US Distributor industry sales in billion USD
+6.1% annual growth rate (CAGR)



Source: PPAI, Bureau of Economic Analysis

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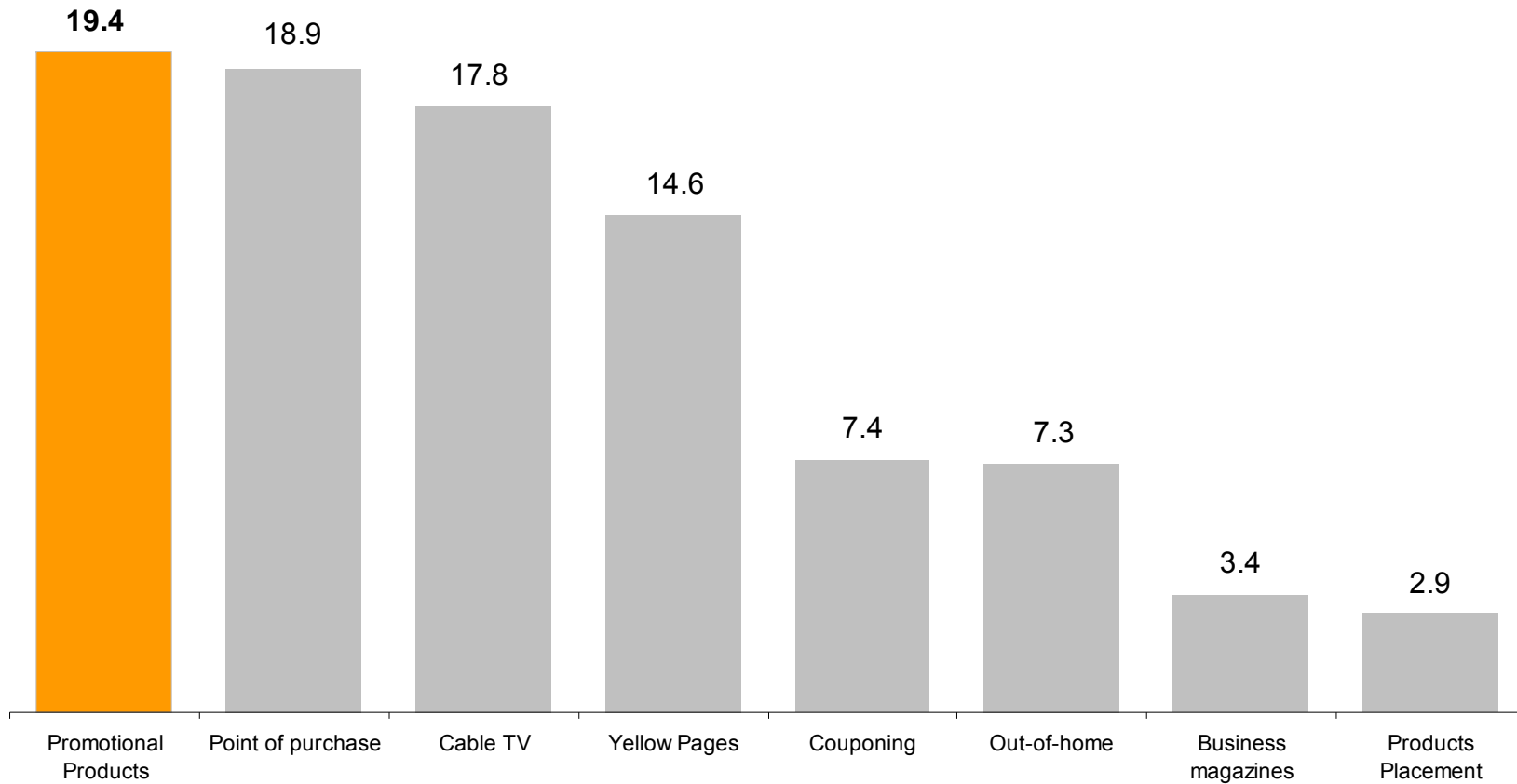
A cost effective advertising medium

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One of the most important advertising support

In billion USD – 2007 selected media advertising sales / U.S. market figures



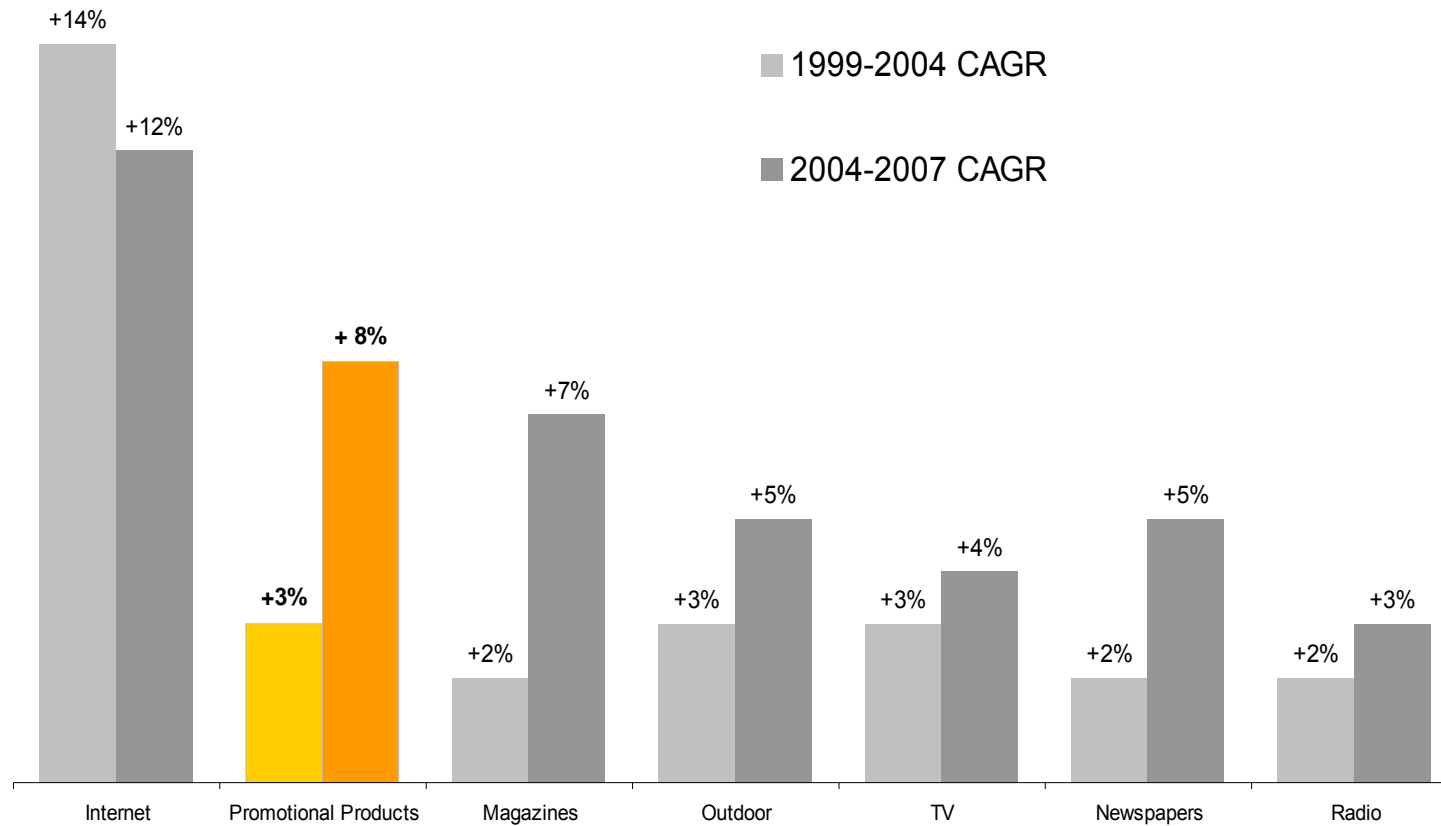
Source: PPAI research

A cost effective advertising medium



A growing advertising support

U.S. market figures - selected media advertising sales growth



Source: PPAI research

A cost effective advertising medium



Flexible

Memorable

Effective

84%

Of recipients of advertising and promotional specialties can **identify the advertiser**

42%

Of recipients of advertising and promotional specialties have **a more favorable impression of the advertiser**

62%

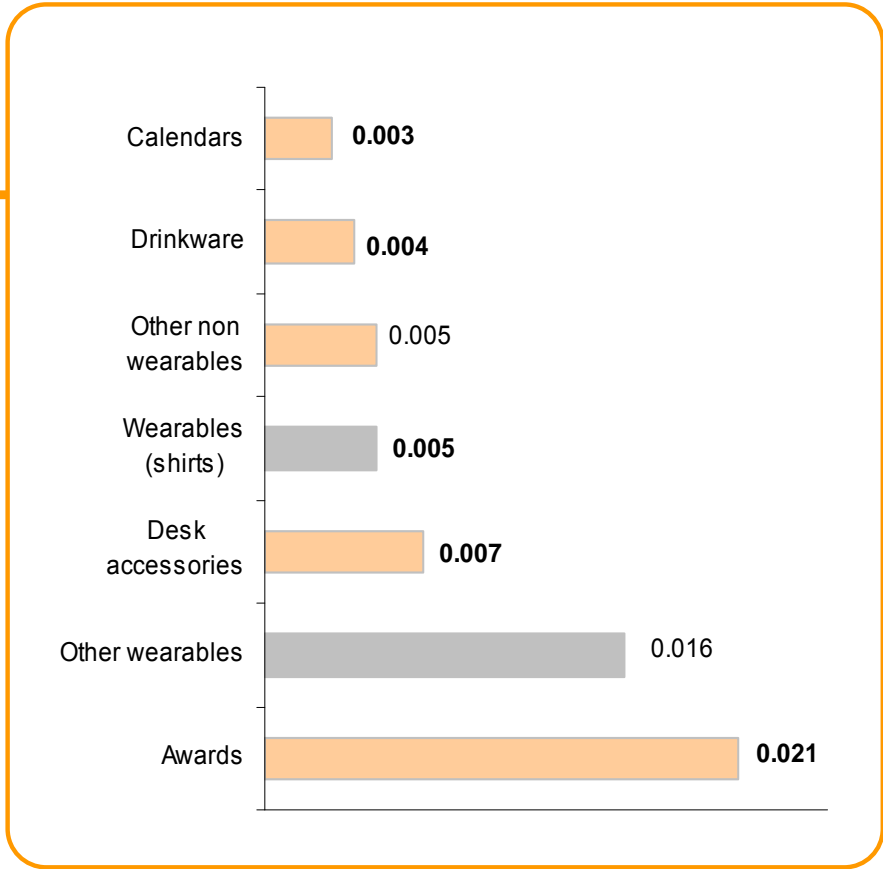
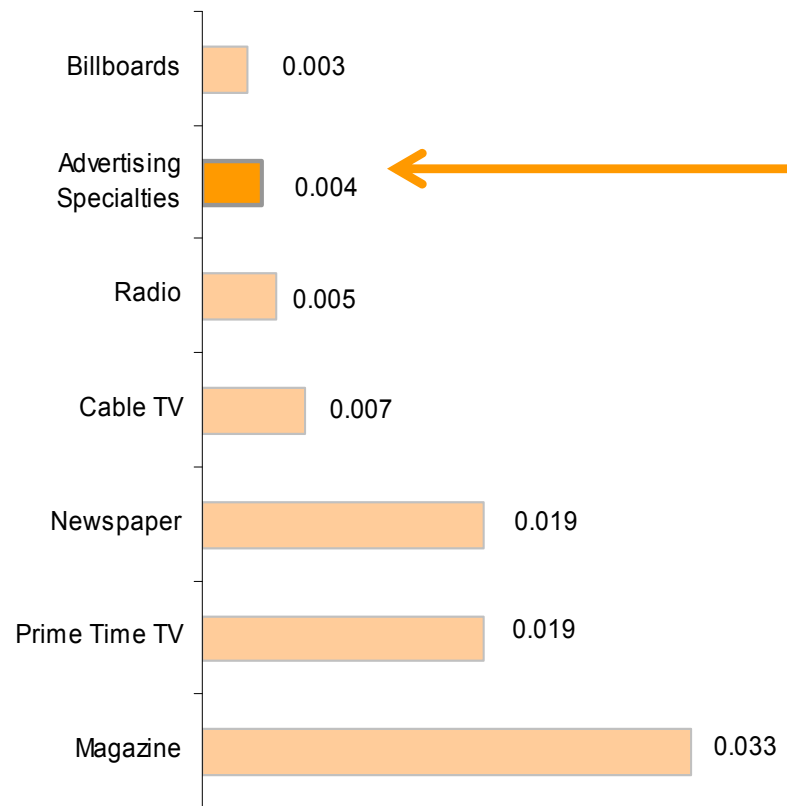
Of recipients of advertising and promotional specialties **did business with the advertiser** after receiving an item

A cost effective advertising medium



One of the best cost per impression among other media

USD



This document contains forward-looking statements. Although BIC believes its expectations are based on reasonable assumptions, these statements are subject to numerous risks and uncertainties.

A description of the risks borne by BIC appears in section “Risks and Opportunities” of BIC “Reference Document” filed with the French financial markets authority (AMF) on 31 March 2009.